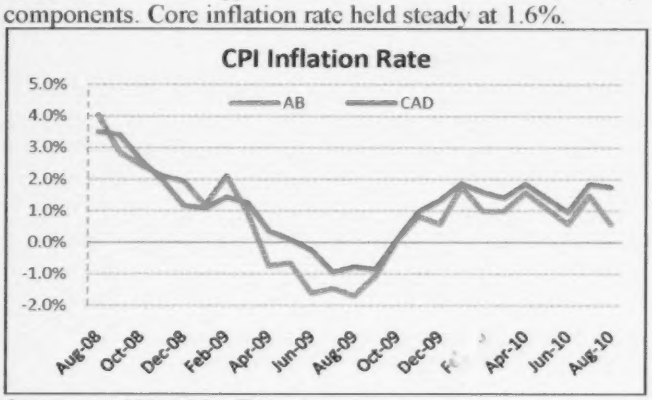
Consumer Price Index

CPI inflation rate moderates in August…

Alberta's CPI inflation rate slowed from 1.5% in July to 0.6% in August. This was largel'y driven by a moderation in the shelter component, which slowed from an annual increase of 2.5% in July to 0.3% in August. Excluding energy, Alberta's inflation rate has remained below 2.0% since July 2009. Nationally, CPI inflation rate stood at 1.7% in August, down slightly from July, driven by increases in energy (+5.0%) and shelter (+2.4%) components. Core inflation rate held steady at 1.6%.



Average Weekly Earnings

Average weekly wages retreat in July…

After a strong growth of 0.9% in June, average weekly earnings in Alberta fell 0.2% in July. The decline occurred largely in the service-producing sectors, most notably in finance and insurance (-2.8%), real estate (-3.1%), professional and technical services (-2.7%) and management of companies (-6.1%). Despite the lag in Alberta's labour market recovery relative to other provinces, year-to-date growth in Alberta's average weekly earnings remains to be one of the strongest in the country at 3.8% behind Saskatchewan (4.8%) and Newfoundland (4.6%) and well above the national average of 3.1%.

Trade

Retail, wholesale trade rise in July…

Following three consecutive months of decline, retail sales in Alberta rose 0.3% between June and July (seasonally adjusted). Nonetheless, retail sales have risen by 4.8% in the first seven months of the year compared to the same period last year. Nationally, retail sales fell slightly by

Canadian Dollar (US¢/C$)	
September 24, 2010	97.44
September 17, 2010	96.80
2010-11 YTD	96.79
WTI Oil US$/bbl	
September 23, 2010	$ 75.18
September 16, 2010	$ 74.57
2010-11 YTD	$ 77.11
Nymex Natural Gas C$/MMBtu *	
Near-month Contract	
September 24, 2010	$4.03
September 17, 2010	$4.14

*Estimate based on Nymex Futures Market Price

0.1% dampened by the HST as well as the slowdown in housing sector, with most of the decline occurring in furniture and home furnishing stores (-8.4%), electronics and appliance stores (-4.9%) and building material and garden equipment and supplies (-2.3%).

Wholesale trade in Alberta also rose 1.1%, following an advance of 0.5% in June and 0.8% in May. Nationally, wholesale trade edged down 0.1% in July due in large part to sales decline in motor vehicle and parts.

Farm Product Price Index (FPPI)

FPPI declines for the first time this year…

The prices received by Alberta farmers for their commodities fell 6.1% month-over-month in June. This marks the first decline this year as falling livestock prices (-6.3%) more than offset the slight increase in crop prices (0.3%). June's decline in livestock prices breaks the six-month streak of increases. Meanwhile, the crop index has largely remained weak in the first half of the year but wheat prices have picked up in the last two months.

Employment Insurance

Number of beneficiaries continues to trend down…

The number of people receiving regular employment insurance (EI) benefits in Alberta fell by 1,690 (-3.5%) between June and July. The number of EI beneficiaries has been on a downward trend in the past nine months. Since the peak of 73,120 in October 2009, the number of beneficiaries has fallen by more than a third. Nationally, the number of beneficiaries fell 4.5% in July. This decline offsets the increases observed in the spring, and brings it back to the level recorded in March.

Current Economic Indicators

Population	2008	2009	2010YTD*	Mar	Apr	May	June	July	August
Population[1] (000's) (level)	3,596	3,688	3,707	--	3,725	--	--	--	--
% change	2.4	2.6	2.1	--	1.6	--	--	--	--
Net Interprovincial Migraton[1] (level)	15,317	23,006	-6,832	--	312	--	--	--	--
Net International Migration[1] (level)	20,039	20,074	1,477	--	6,758	--	--	--	--
Net Non-permanent Residents[1] (ievel)	18,536	19,058	-4,332	--	48	--	--	--	--
Labour Market									
Employment (000's)	2,013	1,988	1,990	1,969	1,979	1,994	2,000	2,009	2,004
% change	2.8	-1.3	-0.1	-1.0	-0.4	0.3	0.6	1.1	1.1
Unemployment Rate (%)	3.6	6.6	6.8	7.5	7.4	6.6	6.7	6.3	6.5
Participation Rate (%)	74.7	74.3	73.3	73.2	73.4	73.2	73.3	73.1	73.0
Average Weekly Earnings ($)	923.21	950.13	986.70	993.04	993.17	985.03	994.21	992.26	--
% change NEW!	6.0	2.9	3.8	3.0	6.1	4.4	4.2	5.3	--
Price Indices									
Consumer Price Index	3.2	-0.1	1.2	1.0	1.6	1.1	0.6	1.5	0.6
Excluding food and energy NEW!	2.1	1.4	0.9	0.8	1.4	0.9	0.7	0.8	0.5
Non-Res. Const. Cost Index[2] (quarterly)	13.2	-9.8	-2.3	-5.0	--	--	0.6	--	--
Farm Product Price Index	13.5	-10.2	-11.9	3.2	3.6	2.4	-6.1	--	--
Crops	29.5	-17.5	-23.6	-2.7	-0.6	-5.7	0.3	--	--
Livestock	1.8	-2.5	-2.1	8.4	4.6	2.4	-6.3	--	--
Household Sector									
Housing Starts (SAAR, 000's)	29.2	20.0	28.3	34.4	29.5	29.6	26.9	29.1	23.8
% change	-39.6	-31.6	77.2	168.8	128.7	107.0	32.5	50.0	15.0
New Housing Price Index	0.7	-9.0	0.1	-0.2	1.0	1.6	1.9	1.5	--
Edmonton	1.0	-11.2	-1.8	-2.4	-1.0	-0.1	0.6	0.2	--
Calgary	0.6	-6.7	2.0	2.0	2.9	3.1	3.2	2.7	--
MLS Average Resale Prices ($ 000's)	351.4	340.5	351.2	357.9	359.9	355.5	345.4	352.2	346.0
% change	-1.5	-3.1	5.4	10.3	7.7	7.1	4.0	3.1	-0.5
Edmonton	330.8	319.1	324.1	341.4	332.1	317.9	303.9	323.2	324.0
% change	-2.0	-3.5	4.0	11.0	8.7	4.4	2.1	1.5	2.6
Calgary	401.1	384.3	398.7	398.2	401.3	411.5	403.8	402.7	391.1
% change	-2.9	-4.2	5.7	9.0	6.4	9.2	5.8	5.5	-0.8
Retail Sales[3] NEW!	0.2	-8.3	4.8	11.2	5.3	2.1	3.8	4.5	--
New Motor Vehicle Sales	-7.3	-21.7	9.6	15.3	6.9	4.7	13.2	10.2	--
Consumer Bankruptcies	6,066	9,986	4291	776	744	672	778	--	--
% change	27.2	64.6	-15.2	-18.4	-11.2	-20.7	-23.8	--	--
Business Sector									
Rigs Drilling	236	128	188	219	62	56	118	199	222
% change	-2.1	-45.6	63.0	103.5	51.9	76.4	99.0	135.2	130.1
Goods Exports (customs based)	35.0	-36.3	17.9	17.0	24.1	47.0	17.7	8.7	--
Energy	43.2	-40.1	28.8	30.4	42.7	77.5	24.4	8.8	--
Agriculture	31.8	-10.2	-14.6	-9.3	-27.6	-5.0	-9.0	-3.4	--
Total Farm Cash Receipts (quarterly)	17.2	-8.1	-17.3	-17.3	--	--	--	--	--
Manufacturing Shipments	6.9	-23.7	7.2	6.3	10.4	13.1	11.5	12.9	--
Wholesale Trade[4] NEW!	8.7	-14.1	3.7	6.3	5.5	7.5	8.4	12.2	--
Building Permits	-16.5	-14.2	22.8	41.4	28.1	-11.8	32.5	10.1	--
Residential	-31.5	-11.8	74.0	91.3	64.6	90.9	53.0	19.3	--
Non-residential	3.7	-16.3	-14.9	2.0	0.0	-57.7	14.4	-3.0	--
Business Bankruptcies	447	405	200	48	37	35	23	--	--
% change	-0.4	-9.4	-2.4	54.8	54.2	2.9	-30.3	--	--

Government of Alberta ■
Finance and Enterprise

Alberta ■

* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1 - June 30).

[2] Average of Calgary and Edmonton

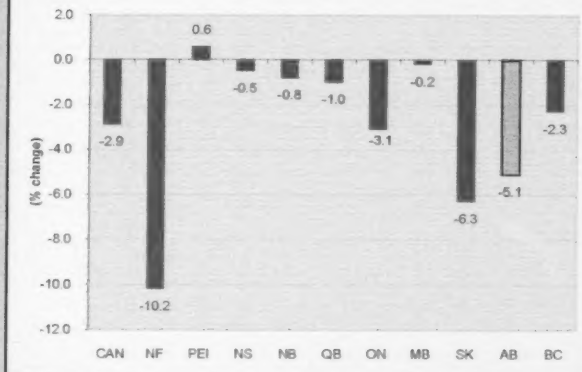
[3] The Retail Sales series was revised on April 23, 2010 and is no longer comparable with numbers in previous Bulletins.

[4] The Wholesale Trade series was revised on April 21, 2010 and is no longer comparable with numbers in previous Bulletins.

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

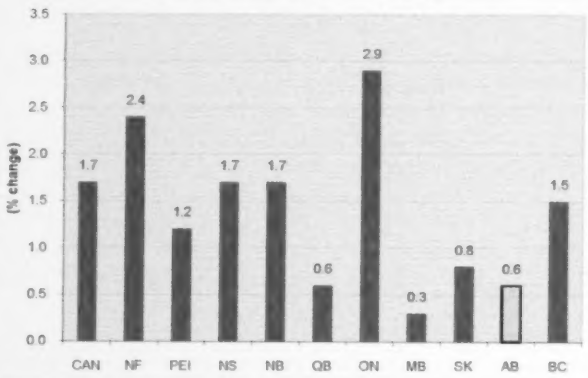
Current Economic Indicators by Province

Real GDP Growth
(2009 year-over-year growth, preliminary estimate)

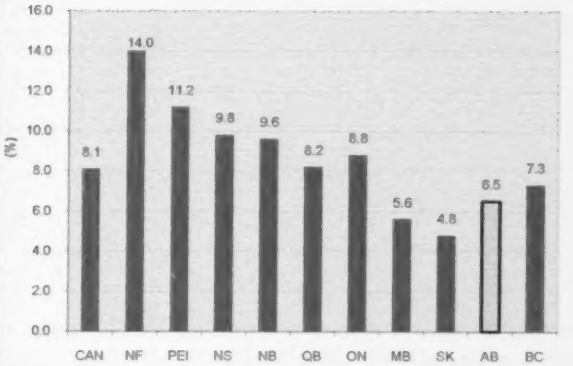


CPI Inflation
(August year-over-year % change)

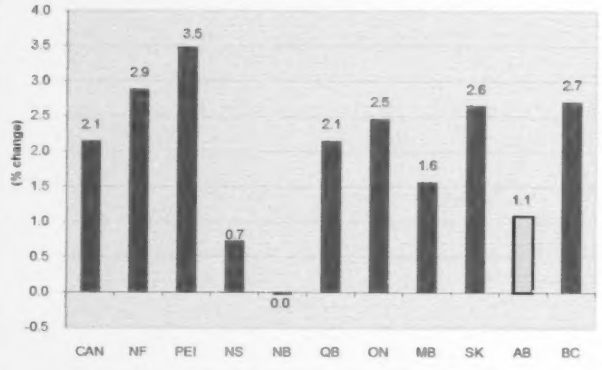
NEW!



Unemployment Rate
(August 2010, Seasonally Adjusted)

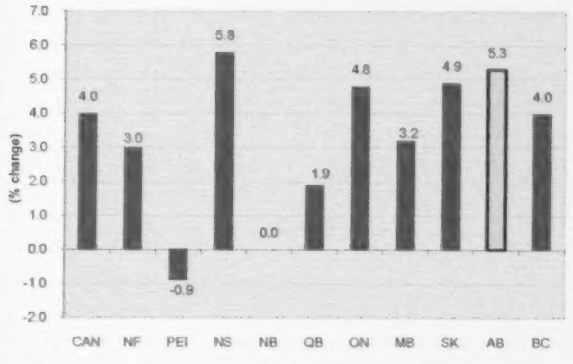


Employment
(August year-over-year growth)



Average Weekly Earnings
(July year-over-year growth)

NEW!



Housing Starts
(SAAR August 2010)